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CONTACT: Diane Pratt (202) 225-5235

"Budget Bologna"

By Rep. Allen Boyd

Last year, Congress reached an historic milestone. In a unified, bi-partisan effort, the U.S. Congress passed and the President signed a balanced budget agreement. In reversing the federal government's trend of spending more than it collects in taxes, we took the first step toward eliminating the nation's burgeoning *\$5.4 trillion* debt.

The balanced budget agreement and Congress' new commitment to fiscal responsibility was a positive sign for the future of our economy, with stock prices rising the day that the agreement was passed. After all, reducing the national debt can only produce positive economic results. Every year, 15 percent of the federal budget, money that *you* have paid in taxes, is spent *only on the interest* on the national debt. Every dollar that we use to pay off that debt will be a dollar saved in the future, and a dollar less that Americans will have to pay in taxes.

As a result of the budget agreement, the Congressional Budget Office is estimating a \$53 billion budget surplus for 1998 and surpluses every fiscal year until 2003. As Members of Congress, this is our opportunity to spur our growing economy by beginning to pay down the national debt.

But instead of acting responsibly, Congress has passed a budget resolution that will eat up the projected surplus and require massive cuts to vital spending programs. This budget is not only bad: it doesn't even add up!

The Republican budget resolution calls for \$101 billion in tax cuts. But the resolution does not identify who will receive tax breaks. In other words, there is no guarantee that these cuts will benefit the average American family. To finance this tax scheme, the package includes \$100 billion in spending cuts. However, the crafters of this legislation did not include in their calculations the new spending required by the transportation bill that passed the House just two weeks before! Once those costs are factored in, we are at a \$135 billion spending cut. To make matters worse, as an offset to the tax breaks, the budget cuts a \$15.4 billion veterans compensation program *that had already been eliminated when the House considered and passed the transportation bill!*

Not only has this budget double-counted a cut in veterans spending, but it virtually ensures further reductions in benefits for our nation's service men and women. Under this resolution, somehow Congress must find \$100 billion in spending cuts. We know that federal spending on the debt and on mandatory Social Security payments cannot be cut. And the Republican leadership has pledged to *increase* defense spending while at the same time protecting funding for welfare, Medicare, federal employee benefits and highways. That leaves a mere fraction of the federal budget to cut from, and critical programs to benefit American veterans are included on that target list.

This budget resolution is a sham. After pledging themselves to fiscal responsibility by signing their names to last year's celebrated balanced budget agreement, the Republican leadership is now giving the American people a budget full of smoke and mirrors. Rather than keeping their promise to pay down the nation's debt so our children and grandchildren are not saddled with this crushing burden, all they are offering are undefined tax breaks without providing honest numbers to explain how they intend to finance the costs. These are the policies that created the national debt; they certainly are not the policies that will relieve us of that debt.

In the coming months as Congress finalizes the federal budget for FY1999, I will continue my efforts to promote a fiscally responsible budget that follows the guidelines of last year's balanced budget agreement and provides *responsible* spending and tax policy.